



## Practical steps for pandemic preparedness

### Preparing for the new coronavirus outbreak

A novel strain of coronavirus (2019 n-CoV) was first identified in Wuhan, Hubei province, China, in December 2019. To date, there have been over 90,000 confirmed cases of infection and over 3,000 fatalities worldwide.

Public authorities are taking decisive action on an international level to respond to this emerging public health threat: issuing travel advice, putting cities under quarantine and convening an Emergency Committee of the World Health Organisation (WHO), that declared a global emergency on January 30<sup>th</sup>.

**This escalating threat has led businesses to consider their own pandemic preparedness measures. It is important that organizations are proactive and prepared, while remaining pragmatic, to withstand disruption from both an operational and a financial standpoint as the situation continues to quickly evolve.**

#### Managing your organization



##### Early interventions

- **Assess organizational exposure.** Having a large presence, extensive business travel to and from or key dependencies in China (e.g. supply, revenue generation or outsourcing activities) enforces the need to take stronger decisive action. To do so, exposure to the threat should be well understood in order to determine the factors that constitute a proportionate response.
- **Review your pandemic and crisis plans.** Many organizations will have prepared pandemic plans for the outbreak of H1N1. The current outbreak is a reminder that ensuring plans are up-to-date and fit-for-purpose is essential to organizational resilience.
- **Prepare for a proportionate response.** If not already included in your pandemic plans, determine meaningful organizational activation and deactivation triggers and review continuity procedures to better understand your critical staff, functions and operational hubs.
- **Monitor your global travel policy.** You should proactively monitor latest travel guidance for all affected areas and review travel policies in response. Aligning with any third-party providers (e.g. Travel Management Companies) and the capability to rapidly communicate with business travellers are important considerations.



##### Communicate internally and externally

- **Communicate with your employees early and often.** Employees will rightly be concerned about the latest developments and will expect organizations to provide accurate, authoritative information. You can build pandemic awareness into business-as-usual internal communications: share information and infographics from authorities; educate business travelers on measures to take and symptoms to look out for; and encouraging functions and teams to review their pandemic arrangements.
- **Engage with your critical suppliers.** Businesses should have sight of their critical suppliers' pandemic preparedness measures and encourage ongoing dialogue on current-state readiness should the threat materialize.
- **Remain in contact with key stakeholders.** You may need to coordinate with local and national public authorities as part of regional preparedness activity. Communicating with other stakeholders, including investors and customers, will be key to maintaining stakeholder confidence.



##### Monitor and review your response

- **Stay up to date with the latest advice and information.** International and national public health bodies will continue to provide information and advice. They will also publish latest statistics on suspected cases which will provide useful metrics to track the evolving threat. For optimal results, ensure that this is being built into organizational preparedness measures.
- **Keep plans, policies and procedures actively under review.** Organizational preparedness is an iterative process. Plans, policies and procedures should be adaptive and flexible to the emerging threat to ensure an organization remains prepared and able to protect its people, reputation, strategy and bottom line.

##### Useful references

World Health Organisation  
[www.who.int/health-topics/coronavirus](http://www.who.int/health-topics/coronavirus)

Here you can find information on the virus and practical advice for travelers and businesses, including infographics which can be printed on posters for the workplace.

#### Managing your finances

##### Impacted sectors



Reduced transportation and travel



Oil & Gas and Mining & Metals industry



Exporters



Tourism dependent businesses



Insurance



Agriculture



Automotive & Technology manufacturers



Education

##### Liquidity forecasting and headroom

- **Reforecast trading and cash flows.** Test and challenge all assumptions. Ensure trading and cash flow forecasts are integrated and model a downside scenario to understand actual/potential needs.
- **Review cash flow forecasts.** Some businesses' cash flows are already being devastated as revenue evaporates. Review in detail cash flows for the next 3 months, and identify what mitigating actions can be taken to preserve cash in the short/medium term.
- **Review your lending documents.** Understand the key terms, covenants, baskets of headroom and flexibility in your banking and finance documents.
- **Remain in contact with key stakeholders.** Businesses should communicate regularly with key stakeholders including their lenders and investors in order to retain their confidence and support.